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TRANSCRIPT OF PROCEEDINGS

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

IN THE MATTER OF:

TRINITY BROADCASTING OF FLORIDA, INC.
and
GLENDALE BROADCASTING COMPANY

Miami, Florida

MM DOCKET NO. 93-75

DATE OF CONFERENCE: December 22, 1993 VOLUME: 22
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 In the matter of:)

TRINITY BROADCASTING OF FLORIDA, INC.)
 and)
 GLENDALE BROADCASTING COMPANY)

MM DOCKET NO. 93-75

Miami, Florida)
 -----)

The above-entitled matter come on for hearing
 pursuant to Notice before Judge Joseph Chachkin,
 Administrative Law Judge, at 2000 L Street, N.W., Washington,
 D.C., in Courtroom No. 3, on Wednesday, December 22, 1993,
 at 9:34 a.m.

APPEARANCES:

On behalf of Trinity Broadcasting of Florida, Inc., et al:

NATHANIEL F. EMMONS, Esquire
 CHRISTOPHER HOLT, Esquire
 EUGENE MULLIN, Esquire
 HOWARD TOPEL, Esquire
 Mullin, Rhyne, Emmons and Topel
 1000 Connecticut Avenue, Suite 500
 Washington, D.C.

On behalf of Glendale Broadcasting Company:

LEWIS I. COHEN, Esquire
 Cohen and Berfield, P.C.
 Board of Trade Building
 1129 20th Street, N.W.
 Washington, D.C. 20036

On behalf of the S.A.L.A.D.:

DAVID E. HONIG, Esquire
 DAVID McCURDY, Esquire
 1800 N.W. 187th Street
 Miami, Florida 33056

1 APPEARANCES (Continued):

2 On behalf of the Mass Media Bureau:

3 JAMES W. SHOOK, Esquire
4 GARY SCHONMAN, Esquire
5 Mass Media Bureau
6 2025 M. Street., N.W. Suite 7212
7 Washington, D.C. 20554
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I N D E X

<u>Witness</u>	<u>Direct</u>	<u>Cross</u>	<u>Redirect</u>	<u>Recross</u>
Mr. Colby M. May				
By Mr. Schonman		3327		
By Mr. McCurdy		3481		

E X H I B I T S

<u>Exhibit</u>	<u>Identified</u>	<u>Received</u>	<u>Rejected</u>
S.A.L.A.D. Exhibit 35	3497	3503	

Hearing Began: 9:34 a.m.	Hearing Ended: 4:07 p.m.
Lunch Began: 12:30 p.m.	Lunch Ended: 1:52 p.m.

P R O C E E D I N G S

(9:34 a.m.)

JUDGE CHACHKIN: All right, let's go back on the record. Mr. Schonman.

CROSS EXAMINATION

BY MR. SCHONMAN:

Q I think the record establishes that in 1986 you regularly started billing TTI or NMTV for services that your law firm provided, is that correct?

A I don't think that date was until 19-- early 1987, Mr. Schonman.

Q Okay, and in early 1987 when you started regularly billing NMTV for services that your law firm provided, at that time you sent those charges in a consolidated bill to TBN, correct?

A Yes, sir.

Q Did you advise anyone at NMTV or TBN that you were going to start including NMTV in your bills to TBN?

A Yes, sir.

Q Who did you advise that you were going to do that?

A I recall that I had a conversation with Mrs. Duff and explained that I would prefer -- was asking if it was all right with her if I included that as a separate segregated account on that consolidated statement and she agrees and said certainly.

Q When was that conversation with Mrs. Duff?

1 A I don't recall specifically, it could have been some
2 time earlier than when regular billings were going out, the
3 early part of '87. It could have been six months before that
4 or so or even earlier, but I mean it's within that wide
5 general time frame, sir.

6 Q But you specifically recall having a conversation
7 about this matter with Mrs. Duff and that Mrs. Duff acquiesced
8 to your request?

9 A Yes, sir.

10 Q All right, at any time after that, by that I mean at
11 any time in 1987 or 1988, '89, '90, '91, or '92, did Mrs. Duff
12 ever tell you, advise you, request that you not include
13 charges for NMTV in the consolidated bill that you sent to
14 TBN?

15 A No, sir, she consented to my request that I be able
16 to do that, it was really for my own purposes and in my office
17 it made matters somewhat more simplified for me and saved in
18 administrative overhead, that sort of thing.

19 Q So there was no such discussion at any time about
20 how it -- about discontinuing your practice of sending these
21 consolidated bills to TBN?

22 A Well, sir, later after the Wilmington issues had
23 come up and then further even in the Glendale matter, she had
24 inquired of me whether or not this practice should be
25 discontinued and ultimately in the summer of 1992 it was.

1 Q And the Wilmington matter came up when?

2 A The Wilmington matter first came up in, I think it
3 was, May of 1991.

4 Q So between May of 1991 and 1986 there were no
5 discussions about discontinuing the practice of including NMTV
6 in the consolidated bill that you sent to TBN, correct?

7 A Not that I recall, sir.

8 Q Now, we did talk for a while yesterday about why you
9 discontinued the practice of sending a consolidated bill to
10 TBN which included charges for NMTV and you -- I believe you
11 testified yesterday that the reason you discontinued it was
12 because of this litigation?

13 A Yes, I mean, generally because of the entire issue.
14 This litigation is specific as to the Miami matter but the
15 issues in a very real way trail out of or evolved out of the
16 Wilmington proceeding and the issues that have been raised
17 there.

18 Q Well, was it your testimony yesterday that the
19 reason that you discontinued the practice was because you came
20 to realize that practice could be construed as a factor in
21 determining control?

22 A Yes, that's how it was being argued and in that
23 sense I certainly wanted to react accordingly.

24 Q How is it that you came to believe that your billing
25 practice could be considered a control criterion?

1 A I never thought it was a control criteria, I simply
2 acknowledged that it was being used to argue that this was an
3 indicia or indicator of a de facto control and I essentially
4 wanted to repent from any conduct on my part that gave that
5 indication or indicia to some third parties.

6 Q Was it the appearance of impropriety, was that the
7 reason that you discontinued the practice?

8 A I mean, I believe it was both, sir, it was both the
9 way it appears and -- to the extent that there is a
10 substantive follow-up on that or reality to that that somehow,
11 well, these statements are being sent to Trinity -- the
12 mechanics of that, the substance of that to the extent that I
13 could remove those from being raised, I did so at that time.

14 Q But how is it that you came -- well, let me strike
15 that. Did you come to believe that it is a cri-- an indicia
16 of control, your billing practice?

17 A No, sir, to this day, I don't believe that it's a
18 question of control. I mean, the reason that I sent the
19 statement and had on my statement a line item for National
20 Minority was that that statement was sent to one location,
21 Trinity in California, was because I regarded it as
22 ministerial, I mean, I didn't think of it in a control
23 context.

24 Q Did you have any discussions with anyone about
25 discontinuing your billing practice and separating out NMTV

1 from your TBN bill?

2 A Well, I'm -- I think I indicated that Mrs. Duff did
3 ask me about the propriety of that in the wake of the issues
4 that had been raised. I certainly discussed it with my
5 partner Joe, Joe Dunne.

6 Q When was that discussion with Mr. Dunne?

7 A I think generally in the same time frame.

8 Q Can you relate to the Court that discussion with Mr.
9 Dunne?

10 A Essentially that this -- the reality is that Trinity
11 is performing functions, ministerial functions essentially for
12 NMTV and because they are doing that, this is a element of a
13 control that exists in NMT -- excuse me, TBN over NMTV.

14 Q Was it at that time that you advised Mr. Crouch to
15 abstain from voting at any future NMTV meetings?

16 A No, sir, that occurred later on, that was not until
17 actually after the issuance of the hearing dates I mentioned
18 here. I understood your question to be as to the earlier time
19 frame when the issue first came up.

20 Q And you understood correctly. Did your reason for
21 telling Mr. Crouch or advising Mr. Crouch to abstain from
22 voting at any future NMTV meetings, was the reason this -- was
23 that reason the same as the reason that you changed your
24 billing practice?

25 A Partially, sir, I think that it's a little more

1 definitive in the focus that it had at the time following the
2 issuance of the hearing designation order.

3 Q What do you mean by that?

4 A Well, for example, previous to that it was motion --
5 pleadings that had been submitted for which and I felt based
6 on the legal arguments and the material that I was providing
7 was properly responding to it and that I did not, at that
8 moment, feel that -- it just didn't trigger the same impact as
9 when the Commission issued its hearing designation order
10 dealing with the arguments that -- or dealing with the
11 position that I believed was permitted and appropriate and
12 upon which I advised my clients to base their conduct and upon
13 which advise they took. When I saw that the Commission was
14 effectively rejecting that and saying, no, we need to look at
15 this to determine whether there is a de facto control
16 question. It was in the wake of that that I felt Dr. Crouch's
17 participation in that upcoming meeting in April which was the
18 first meeting I was aware of following the issuance of this
19 hearing designation order, I simply recommended that he not
20 participate, to essentially -- to give time to allow that to
21 be sorted out.

22 Q Now, there came a time, of course, that you changed
23 your mind with respect to Dr. Crouch's participation at the
24 meetings and, in fact, you told him that he should once again
25 continue actively participating at the meetings, NMTV

1 meetings, correct?

2 A Yes, sir.

3 Q Is there any reason why you have not started again
4 billing TBN the way you did earlier, that is, including NMTV
5 charges in a consolidated bill?

6 A Well, the procedure is now set up to where I simply
7 send the statement to Mrs. Duff and I have no present
8 intentions of changing that.

9 Q So you send a separate bill to NMTV now?

10 A Yes, sir.

11 Q And that's a very simple procedure?

12 A Well, it's not so simple, I mean, every time you
13 generate the smallest piece of paper in a small office like I
14 have, it impacts overhead and these things do have
15 accumulative impact in a week, in a month, six months, over
16 time.

17 Q Now, if I understand your testimony from yesterday
18 correctly, you included TTI and later NMTV in the consolidated
19 bill because you wanted to get paid and you also testified, as
20 I understand it, that it was your understanding and belief
21 that TBN was servicing NMTV's accounts, so to speak. That is,
22 TBN did the accounting services for NMTV, is that correct?

23 A I was aware that TBN was processing purchase order,
24 account payable procedures on behalf of National Minority,
25 yes, sir, I understood that.

1 Q And that's the reason that you included TTI and NMTV
2 in the consolidated bill that you sent to TBN?

3 A Yes, sir.

4 Q And that's also the reason that you included CET,
5 Community Educational Television in a consolidated bill that
6 you sent to TBN?

7 A For a period of time, yes, sir, that was the case.
8 I think since '89, '90, in that time frame, Community
9 Educational Television has no longer availed itself, I
10 believe, of that service and it now does these -- does it on
11 its own, I believe.

12 Q Now, is the reason ---

13 A It could have been '91, I mean, it's in the general
14 time frame, frankly, I don't -- can't pinpoint it right now.

15 Q And it is also the reason that you include Trinity
16 of Florida in the consolidated bill is because TBN provides
17 the same accounting services to Trinity of Florida?

18 A It's actually a little different, sir, because there
19 that's more what I would regard as part of the Trinity
20 organization, if you will. Yes, it is a separate company but,
21 in my impression and understanding of it is that
22 effectively it is the network -- I mean, the organization
23 itself as opposed to National Minority which I do understand
24 to be a separate company outside of that gambit, outside of
25 that being part of "Trinity", yes, they have the affiliation

1 and yes, there's been monies loaned but it's not the same.

2 Q Well, I'm having trouble understanding why you
3 consider NMTV not to be the same, yet you included NMTV in the
4 consolidated bill. Can we explore further the relative levels
5 of separateness that you're describing? What -- why do you
6 consider Florida to be part of the family, the TBN family but
7 you distinguish NMTV from the family?

8 A Because in it virtually the Board of Directors are
9 almost identical and so the board --

10 Q For which company?

11 A For Trinity of Florida, for example, or Trinity of
12 New York or Trinity of Indiana or Trinity of Arizona or
13 Trinity of Washington. Yes, there are separate corporate
14 entities but partially the reason for that is to try and limit
15 liability for civil litigation or just generally, I mean,
16 that's part of a standard corporate practice, that you try and
17 limit holdings of companies to more distinguishable distinct
18 units and that's part of that process but essentially it's
19 still part of the same company, as it were, but I've not had
20 that same impression of National Minority in the sense that I
21 included there it is because I recognize that an ministerial
22 function is being performed at --

23 Q All right, I'm trying to understand your testimony
24 and please correct me if I'm wrong, but the reason you
25 consider Trinity of Florida, Trinity of New York and those

1 "affiliated" companies to be part of the family is because
2 most of those companies directors are also directors of TBN?

3 A Yes, sir, I think that they're -- I mean, a
4 controlling number if not the identical number.

5 Q Well, isn't it true that, at least in the early
6 period of TTI's life, a majority of directors on Translator
7 TV, Inc.'s board were also members of TBN's board and later
8 Dr. Crouch always was a common member and there were always
9 common officers on -- for both TBN and NMTV?

10 A Yes, sir, from '80 until the time Mrs. Duff, I
11 realized yesterday she got on some -- I guess, off the board
12 some time in '84 or whatever it was from Trinity Network.

13 Q Well, given the commonality of at least one director
14 at all times and at a portion, two directors and given the
15 commonality of officers, how you distinguish NMTV from the
16 "affiliated" companies?

17 A Well, as I stated between that time frame, yes,
18 there may have been but I don't --

19 Q What time frame?

20 A Between the '80 time frame and the time -- '84 or
21 whatever it was that Mrs. Duff was no longer on that board, I
22 don't that I addressed this issue in terms of a billing
23 statement that I sent out and I don't know that that was a
24 question at that point in time, I -- I mean, so that it's not
25 an apples and apples comparison' --

1 Q Well, during that --

2 A -- when I sent out statements it was at a point in
3 time when there was not a controlling number of directors that
4 were the same and I just -- didn't strike me as being the same
5 at that point in time. And I also recognized that National
6 Minority did have some distinctive goals in mind that were in
7 some measure separate from those that were intended to be
8 accomplished with a Trinity of Florida, etcetera. Yes, Dr.
9 Crouch is the same and certainly I recognize that and he was
10 -- he's involved with both of those applications but it's not
11 the same for purposes of the control question.

12 Q What did you understand to be the goals of TTI?

13 A I -- earlier on I recognized that TTI had been
14 formed for the purpose of providing a unique platform for Mrs.
15 Duff and minorities to get involved in broadcasting as well as
16 to expand Television Translator Service for the religious
17 community, if you will, I mean, for religious service in
18 America.

19 JUDGE CHACHKIN: You are familiar with the articles
20 of corporation of both corporations, are you not?

21 MR. MAY: I've seen them, yes, sir.

22 JUDGE CHACHKIN: And isn't true that they're both
23 identical in terms of purpose?

24 MR. MAY: That's probably true, yes, sir.

25 JUDGE CHACHKIN: Do you know of any document -- of

1 National Minority which sets forth the views that you just
2 propounded as being the goals of National Minority or TTI? A
3 single document, can you point to which expresses those views?

4 MR. MAY: I don't -- I mean, there may be a letter
5 or something -- I don't --

6 JUDGE CHACHKIN: Is there -- are you aware of any?
7 You just said these are the goals and tell me where this has
8 been memorialized in any document?

9 MR. MAY: But, Your Honor, I understood it that way.

10 JUDGE CHACHKIN: Well, I'm asking you, do you -- are
11 you aware of a single document which sets that forth?

12 MR. MAY: I can't call any to mind.

13 JUDGE CHACHKIN: A simple question.

14 MR. MAY: I can't any to mind.

15 JUDGE CHACHKIN: The articles don't, the articles
16 are identical, isn't that true?

17 MR. MAY: But, Your Honor, the articles are
18 basically going to be forms that are presented by the state in
19 which you incorporate, there's nothing unique or special about
20 articles. They're very routine boiler-plate documents that
21 are either approved by secretaries of states or a state or
22 some -- so state bar association.

23 JUDGE CHACHKIN: But the articles set forth the
24 goals of the corporation, what its purpose is, doesn't it?

25 MR. MAY: The purpose of the --

1 JUDGE CHACHKIN: Does it or doesn't it?

2 MR. MAY: Yes, it does in a general manner.

3 JUDGE CHACHKIN: And there -- is there any
4 difference between the articles of National Minority or TTI, I
5 should say since those are the articles and they're the same
6 ones of National Minority, they haven't been changed, and TBN?
7 Is there any difference?

8 MR. MAY: I honestly don't know if there is any
9 difference.

10 JUDGE CHACHKIN: Well, let me show you the articles,
11 show me where there's any difference, if you -- if you seem --
12 if you want to be familiar with them, I'll show you the
13 articles.

14 MR. MAY: But, Your Honor, my point to you is that
15 these are formed documents, these are public charities that
16 have to meet certain specified statutory requirements to be
17 recognized as public charities. That's the purpose of putting
18 the articles forward in that manner, the purpose, as it's
19 stated is general but it has to include the specifics to make
20 sure you qualify as a public charity and that's why they may
21 --

22 JUDGE CHACHKIN: But I understand that.

23 MR. MAY: -- be virtually parallel but if you look
24 at any parallel company formed at the same time in the state
25 of California or some other place, they're going to have

1 | virtually the same kind of dissertation because they follow
2 | the same form if they intend to be a 501(c)(3) tax exempt
3 | public charity.

4 | JUDGE CHACHKIN: Is there anything precluding them
5 | from having additional goals other than necessary to satisfy
6 | the -- this -- the -- for the tax purposes?

7 | MR. MAY: No, sir, they could state other goals.

8 | JUDGE CHACHKIN: They could state it but it doesn't,
9 | does it?

10 | MR. MAY: I don't --

11 | JUDGE CHACHKIN: And you know of no document which
12 | states other goals, do you?

13 | MR. MAY: No, sir, I can't call any to mind.

14 | JUDGE CHACHKIN: Well, you're familiar with the
15 | corporation from quite a way back and you know of no document
16 | which sets forth any additional goals. Go ahead, counsel.

17 | BY MR. SCHONMAN:

18 | Q Mr. May, when did you learn of the goals you've
19 | described for TTI.

20 | A It was shortly after the corporation was brought
21 | together, I was not involved in the actual process of
22 | incorporating it but shortly after that there was some
23 | amendments that were submitted and with -- I'd say within
24 | three months or so --

25 | Q Amendments to what?

1 A To the applications that Television Translator had
2 filed at the FCC and it came to me to be responsible for
3 putting those on file. I didn't actually prepare them but the
4 gentleman, the lawyer -- at the time was not there and so I
5 went ahead and reviewed those and at that time I was able -- I
6 was informed as to the broader purposes of the company and
7 that included the fact that this was a unique Board of
8 Directors that had a majority of whom were minorities, that
9 existed at no other company in which Dr. Crouch was involved.
10 I mean, and by that obvious fact it was a standout and
11 different.

12 Q Mr. May, was there something in the amendments that
13 -- from which you learned about the goals of TTI?

14 A I think it was the process of them, they came to me,
15 I recognized that these amendments were providing the
16 financial commitments that Trinity had made to TTI and I
17 inquired as to what is this, what are these two companies, why
18 is Trinity doing this and at that point I was informed as to
19 the unique makeup of the Board of Directors and the fact that
20 it was intended to provide some platform for which minorities
21 would be given a unique and special position to be able to
22 learn and to essentially have this company.

23 Q So there was nothing in the amendments which
24 revealed the goals you've described, correct?

25 A I don't recall that there was anything special other

1 | than this financial tie that I've just described.

2 | Q Well, let's look, for example at Bureau Exhibit No.
3 | 28, that's in Volume 1 and that's an amendment to Translator
4 | TV, Inc.'s Crestline, California application and this
5 | amendment was filed on February 18, 1981. Well, why don't you
6 | take a moment to look through that, Mr. May, and maybe you can
7 | direct me to the information you're describing that -- from
8 | which you derived the goals of the company?

9 | A Well, Mr. Schonman, I guess I just point out that
10 | this one is not -- this is not one of the ones specifically
11 | I'm referring to, there are some that I did transmit and sign.
12 | I see that this one is actually signed by Joseph Dunne and the
13 | date on the transmittal is February 18, '81. I do believe,
14 | however, that this is a similar document to the one that I was
15 | describing to you and it does provide the financial commitment
16 | that is being made by the Trinity Broadcasting Network to
17 | Translator TV and it is in that context that I made the
18 | inquiries and came to the information that I've just described
19 | to you about the uniqueness of this Board of Directors.

20 | JUDGE CHACHKIN: Uniqueness being that there were
21 | two minority directors?

22 | MR. MAY: There was a -- yes, sir, that there's a
23 | controlling number of minorities on this board --

24 | JUDGE CHACHKIN: Well, wait a minute, what -- the
25 | two minority directors, we'll get to the question of control

1 | when we decide this case, there were two minority directors.

2 | MR. MAY: Yes, sir.

3 | JUDGE CHACHKIN: That's the uniqueness but there's
4 | nothing in any application setting forth any of the goals that
5 | you enunciated, is there? You prepared applications, do you
6 | know of any? We'd like to know where they are, if you thought
7 | -- I mean, we're not talking about tax purposes, now, we're
8 | talking about telling the Commission what your unique goals
9 | were. Do you know of any application which says that?

10 | MR. MAY: Is it the -- coming up to the Odessa
11 | application, we acknowledge that we thought we complied with
12 | the --

13 | JUDGE CHACHKIN: We're not talking about that --

14 | MR. COHEN: The Judge has a question.

15 | JUDGE CHACHKIN: I said, do you know of any
16 | application which you filed with the Commission. We're not
17 | talking about -- you said articles were meant for tax purposes
18 | and that's why you said that it didn't include any of these
19 | goals, these unique goals. Now, I'm asking do you know of any
20 | application you filed with the Commission in which you set
21 | forth any of these unique goals that you expressed?

22 | MR. MAY: I don't know that I can recall any, no,
23 | sir.

24 | JUDGE CHACHKIN: Well, there weren't any, were
25 | there, not in the Articles of Incorporation nor in any

1 application filed with the Commission where you sought
2 minority enhancement or you sought to be included in the
3 exemption. Go ahead, Mr. Schonman. But that is a fact, isn't
4 it, sir.

5 MR. MAY: Yes, sir, that is but may I reiterate that
6 the Board of Directors is unique, I mean, it was an obvious
7 fact on its face -- about that.

8 JUDGE CHACHKIN: I'm talking about the board of --
9 I'm talking about -- the Board of Directors is the Board of
10 Directors but that's not what we're talking about. You said
11 that National Minority was established for some unique purpose
12 to help minorities and you went on and on and I'm saying it's
13 not set forth in any document either filed with the commission
14 or filed with the state and you agree that it is not set forth
15 in any document filed with the Commission or filed with the
16 state, isn't that clear, isn't that true?

17 MR. MAY: I think that's true, yes, sir, Your Honor.

18 JUDGE CHACHKIN: All right.

19 BY MR. SCHONMAN:

20 Q Now, you testified that you had discussions with
21 persons about the goals of the company and those discussions
22 were sparked by your task of preparing one or more amendments
23 to the low-power applications?

24 A Yes, sir.

25 Q With whom did you have those discussions?

1 A Mrs. Jane Duff.

2 Q And she's the one -- you're testifying that she's
3 the one who informed you of the company's goals that you've
4 described?

5 A Yes, sir, I mean, about the Board of Directors, yes,
6 sir.

7 Q I'm confused, did she inform you about the goals of
8 the company that you've described or she informed you about
9 the composition of TTI's board?

10 A Well, she indicated that this Board of Directors is
11 special, David Espinoza and I make up a majority of it, it is
12 intended to be a platform for the minorities and that's what's
13 unique about this company --

14 Q Are you finished?

15 A Yes, sir.

16 Q And the goal of this company was to acquire
17 Translator stations?

18 A They had applications to acquire, I mean, they --
19 I'm not sure I understand what you're now asking about -- my
20 conversation with Mrs. Duff.

21 Q Well, the applications were -- the applications at
22 this time, the -- in 1980 and the amendments in '81, they were
23 applications for Translator stations, correct?

24 A Yes, yes, sir.

25 Q Well, what is it that minorities were supposed to do

1 for a Translator station. A Translator station is not a
2 particularly labor-intensive operation. If this company
3 purportedly was formed to assist minorities in the operations,
4 learn the broadcasting industry, what is it they were supposed
5 to do for Translator stations?

6 A Well, with all due respect, I mean, it seems to me
7 that's a very wonderful way to begin because it's not
8 necessarily being in the biggest and most pressure cooker that
9 you can have. Television Translators are an opportunity to
10 begin to understand about the broadcast business. I mean,
11 while it is true that it is a fairly mechanical function in
12 terms of receiving a signal from the satellite and
13 retransmitting it on a translator, it is federally regulated,
14 it does involve interface with the Federal Communications
15 Commission, you will have to be involved in local governments
16 to get permits to build towers and to put antennas on towers
17 to be able to have little transmitter buildings. You have to
18 engage consultants and personnel and engineers to be able to
19 go and to be on site, all of the things that are involved in
20 effectively learning about broadcasting, it's as -- it's an
21 important thing to do.

22 Q Well, all of the services you've just described are
23 services that TBN was going to and, in fact, did provide,
24 isn't that correct?

25 A Yes, sir, these services were -- yes, sir.

1 Q And in terms of a starting point for an individual
2 to learn the industry, wasn't Jane Duff already on TBN's
3 board?

4 A Yes, sir, she was.

5 Q That's a starting point, isn't it?

6 A Yes, sir.

7 Q Why weren't there minorities on TBN's board, do you
8 know?

9 A Mrs. Duff was on the board.

10 Q Why weren't there other minorities?

11 A Well, I don't know the answer to that.

12 Q How many minorities do you know did TTI's by-laws
13 provide for, how many directors, rather?

14 A I think the minimum number required by state law is
15 three.

16 Q And the maximum?

17 A I don't know if it says five or seven or nine.

18 Q Well, accept it for a fact that the by-laws for TTI
19 allowed for ten directors, do you have any knowledge as to why
20 there weren't more than two minorities on this corporation's
21 board?

22 A Not at that point, no, sir.

23 JUDGE CHACHKIN: Not at any point, up to now do you
24 know why there are no more than the number of minority -- why
25 we don't have up to the ten board members?